

FISCAL NOTE

SB 3956 - HB 3965

March 4, 2008

SUMMARY OF BILL: Authorizes an expedited permitting process, fee waivers and tax incentives for projects that include certain environmental certification or water resource protection measures. Establishes a point system to measure the level of benefit for the applicant based upon the extent of environmental protection afforded by the project. Requires the recording on deeds of a conservation easement in perpetuity for all preserved or improved property. Requires the Department of Environment and Conservation (TDEC) to respond to farm requests within a specified time frame. Requires TDEC to issue annual awards in four categories based upon the scope, innovation, and environmental benefits of qualifying projects.

ESTIMATED FISCAL IMPACT:

Forego State Revenue – Less than \$50,000

**Increase State Expenditures - \$128,600/One-Time
\$185,500/Recurring**

Assumptions:

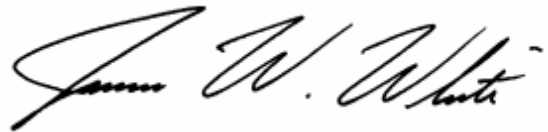
- TDEC will be required to process approximately 150 qualifying permit applications annually. The increase in administrative workload for the Division of Water Pollution Control will require three additional employees.
- The recurring increase in state expenditures attributable to the three new employees for TDEC is estimated to be \$185,500 for salary (\$119,200), benefits (\$40,500), travel (\$9,000), printing (\$900), office space (\$8,100), phones (\$1,800), office supplies (\$900), network connections (\$3,600), and an annual contribution to the equipment replacement fund (\$1,500). The one-time increase in state expenditures for office landscaping (\$10,800) and PC's (\$6,000) is estimated to be \$16,800.
- The Department of Revenue will be required to make software modifications to accommodate the excise tax deduction provided by the bill. The one-time increase in state expenditures for such deduction is estimated to be \$111,800.

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- The Department of Revenue estimates that the excise tax deduction provided by the bill will result in foregone state revenue of less than \$50,000 annually.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/cce